

2010 THPO Operations Grant Training Session : Supporting Narrative for PowerPoint

1. Guidelines for webinar
2. Welcome to the National Park Service's (NPS) training session for the management of your Tribal Historic Preservation Office Historic Preservation Fund Grant
3. The Tribal Historic Preservation Office Program, or THPO Program, is divided into two sides, the program side and the fiscal side. Hampton Tucker is Chief of the fiscal side and James Bird is Chief of the program side. Here is their contact information should you need to contact either person.
4. Under the THPO Program, there are two grant programs, the THPO Operations Grants and the Tribal Project Grants. Ginger Carter is the fiscal contact for the THPO Operations Grants. These are the annually apportioned awards used to fund the THPO office activities. David Banks is the contact for the Tribal Project grants. These are the competitively awarded grants for specific Tribal projects.
5. The Native American Graves Protection and Repatriation Act (NAGPRA) program is not part of the THPO Program, however, because many THPOs have NAGPRA grant we have provided you the contact information for the fiscal contact, Vedet Coleman, and the program contact, Sangita Chari.
6. NPS has updated the "Manual and Forms" page of its THPO Program website to include all required forms as well as manuals and guidance necessary for you to manage you THPO Operations grant. You can use this site to download all of your application and annual report forms. NPS will also use this page to make announcements or alert the THPOs to any upcoming or current issues that may affect their grants. We highly recommend that you look over this page after you've completed this training and bookmark it for future and frequent reference.
7. The THPO Operations Grant Program is referred to as the 101d Program because it is Section 101d of the National Historic Preservation Act that contains the statutory mandate establishing the grant program. These grants run for two Federal fiscal years (FY). The Federal FY runs from October 1st to September 30th. Therefore, THPOs will have two active grants at any one time; one will be in its first year, the other in its second and final year. Let's look at your 2010 and 2011 grants as examples:

2010 grant – runs October 1, 2009 to September 30, 2011

2011 grant – runs October 1, 2010 to September 30, 2012

You see that both are active in FY 2011. However, on the last day of FY 2011 (September 30, 2011) the 2010 grant will expire but the 2011 grant will be half way through its two year term.

75% of the funding the THPO is awarded must be expended or **committed in contracts or purchase orders** by December 31st of the first fiscal year of the grant award. So, if you are awarded funds from the FY 2011 HPF fund, 75% of those funds must be **committed** as of December 31, 2011. Committed funds do not include salary or indirect costs as these expenses are not in contracts or purchase orders.

The remaining 25% of the grant funds may be carried over and expended during the second fiscal year of the grant period. The carryover allowance was instituted so that THPOs had funds to carry them through the period between when the current grant fiscal year ends and when they receive the funds for the next fiscal year. This final 25% must be expended by **September 30th** of the second fiscal year. This is the end date of the grant.

The grants **will not** be extended, so any funds not expended by the end date of the grant will be recaptured and returned to the US Treasury.

8. This slide shows a chart of reporting requirements and their due dates. This can also be found on the website mentioned earlier so that you can refer to it at any time. Let's look at some of the more important due dates.

Application packages are due within 45 day of NPS informing the tribes, in writing, of the amount of their fiscal year apportionment. It is imperative the NPS obligate the apportioned funds as soon as possible, and so this deadline will be strictly enforced. NPS has changed the application process to help expedite the paper flow. We will discuss that later in the presentation. However, THPOs should begin planning for their grants prior to getting the written notification of the amount of the award. Additionally, some of the application paperwork can be completed without knowing the amount of the award and can therefore be prepared in advance.

All annual program and fiscal reports are due to NPS by January 31st of the fiscal year following the grant fiscal year. The reports document activities completed and funds expended or committed as of December 31 following the first end of the grant's first fiscal year (15 months from the start date). Fiscal reports used to be due to NPS by January 15th and the program report due on January 31st; however, we have simplify this by making all annual reports due on January 31st.

Along with the annual reports due for the current FY year's grant, a final budget and final payment request are also due for the previous year's, or closing year's, grant. This will close out that grant. NPS will not process the upcoming FY grant unless acceptable and complete paperwork has been submitted to close out the old grant and review the annual progress of the current grant. Again, these due dates will be strictly enforced so you must ensure that you plan ahead, otherwise you risk having funds recaptured due to late submittals.

9. The National Park Service has revised reporting requirements to bring the program into compliance with all Federal grant rules and regulations. We will review these changes in the upcoming slides.

10. Here you see the checklist of required application forms for FY2011. We have noted which forms are new in 2011, which are revised and which may or may not apply to your situation. Each of the forms will be reviewed in the upcoming slides and all of the forms can be downloaded from the website discussed earlier. Most of the forms are interactive to ensure that calculations are correct. Samples of completed forms are included in this presentation so that you can refer back to this if you are having problems understanding or completing a specific form.

11. The application process for obtaining your HPF apportionment will also change in FY 2011. Once you receive notice of the amount of your apportionment, you have 45 days to apply for your funds. Do not wait for NPS to mail you forms, go directly to the website and download all of the applicable forms. Complete and submit them as a package to James Bird or Ginger Carter at NPS. If everything is complete, correct and acceptable, NPS will write your grant agreement and mail it to you. Your grant becomes active at that point.

12. We will reviewing the required forms for the fiscal side of this program, in this portion of the presentation. This is the SF424, *Application for Federal Assistance*. It is the basic governmental form containing general information regarding your office and the dollar amount for which you are applying. Most of the fields are self explanatory. When you download the form from the webpage, you'll see that some fields are completed for you as they are the same for all THPOs. You must complete fields 5 through 18 and submit the original form to NPS with your application package.

13. This is the SF424A, *Standard Non-Construction Budget Form*. Section A contains only one entry and that is the amount of your apportionment. This should be placed in line 1, column E.

In Section B there are a series of line items running down the left hand side of the form. These terms will be defined later in this presentation. Please note the 3 columns in Section B. Column one is where "Grant Administration" costs are listed. Column two is for "THPO Operations" and column 3 is for subgrants and contracts. The difference between administration costs and operations costs will be provided in this presentation.

Now, please look at the red arrows pointing to the 1st column, Administration Costs, and line j in Section B, Indirect Costs. The total amount, if you added the costs under column 1 and across line j, must not total more than 25% of the overall award. The 25% limit on administration and indirect costs is a requirement of all HPF funded grants. NPS will check to ensure that your budget complies with this requirement.

14. We'll now go over definitions for the terms on the *Non-Construction Budget Form* that we've just reviewed beginning with the columns 1 and 2 in Section B.

15. Please read the definition provided for Administration Costs. These costs must be included under Column 1 of Section B on the budget form.

16. Here are some of the types of expenses typically included under administration costs.

17. Please read the definition for THPO Operations Costs. These costs must be listed under Column 2 of Section B on the budget form.

18. Here are some of the types of expenses typically included under operations costs. Please note, if a staff person divides their time between administrative and operations work, the percentage of time they work doing each must be calculated and the corresponding portion of salary accounted for under each column.

19. Now we'll begin looking at the definitions for the different budget line items on the *Non-Construction Budget Form*. We'll start with Indirect Costs since we've just discussed the fact that these costs plus administration costs may not exceed 25% of the grant total. Please read the definition provided.

If you included indirect costs in your budget, you must submit a copy of your current indirect cost rate agreement with your application package, otherwise NPS will not allow you to charge indirect costs to the grant.

20. Now we will compare two similar, and so sometime confusing, line items, "Personnel" and "Consultants". Please read the definitions provided and note the difference in whose salary/fees should be included under each line item. For the purposes of the HPF grants, NPS considers Tribal elders to be Personnel, not consultants.

21. We are taking a small side step here to discuss consultant requirements. All consultants must be competitively selected. The only time sole-sourcing, or non-competitive selection, is allowed is in cases of public emergency, when only one person or firm can supply a unique service or product or when you've run a competitive selection process and only received one bid.

There are different Federal requirements for running a competitive process and they are based on contract amount. The competitive process for small purchases, those under \$100,000, is fairly quick and easily. However, you should review the regulations for purchasing and contracting to ensure that you follow all requirements. Easy to understand guidelines have been placed on the website for your convenience.

The website also contains a form to help document your competitive selection process in case you are audited. We will look at that form next, but before we do, please note the last item regarding maximum rates for consultants.

Government pay scales are divided into GS levels and steps within those levels. The pay scales also vary based on the area of the country where the work is being done. The Federal Office of Personnel Management (OPM) has all Federal locality pay charts online so that you can look-up the appropriate

GS-15, step 10, rate for your location, multiply it by 120% and determine the maximum pay rate for your consultant.

22. Here is the *Competitive Negotiation and Small Purchases Contracting Document*. Page 1, on the left, is where the contact information for all of those from whom bids are sought is listed. Page 2, on the right, is where those who actually submit bids are listed along with other information such as the amount of their bid and the basis for why a specific consultant was selected. The basis for selection may be lowest price or most qualified. Using either basis is fine provided all of the consultants were informed of the basis before they submitted their bids

23. We'll move back to the line item definitions on the budget form now. The definitions for Supplies and Equipment are different and very clear. Please read these definitions.

If you purchase equipment you must first obtain written approval from NPS by submitting an email or letter outlining the cost, explaining why the equipment is necessary for the accomplishment of the work, and documentation showing how you will seek the lowest price for the piece of equipment.

24. Additionally, grantee must continue reporting on equipment purchased under any Federal grant. Details of the reporting requirements can be found in the OMB regulation cited here.

25. The last line item we'll review is "Other". Just as the word implies, this is where all costs that do not fit under any of the other line items go. If you find that the majority of your grant is budgeted under "other" you will be asked to provide a breakdown of what the other costs are.

26. This is an SF424C, *Construction Programs Budget Form*. Very few, if any, THPOs currently include any bricks and mortar construction work in their workplans. If your workplan does not include construction, you do not have to complete this form. If your workplan does include construction, you must complete the form and submit it with the application package. The form is self-explanatory.

27. All expenses reimbursed under this grant must be allowable. If you have any doubt as to whether a cost is allowable, you can turn to one of the references you see noted on this slide.

All costs must also be reasonable and defensible. A cost is reasonable if, in its nature or amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time of the decision was made to incur the cost. This documentation must be kept in your files for audit purposes.

28. Here is a list of some basic unallowable costs. Please note that honoraria do not include stipends to elders. Additionally, the costs of providing very basic food or meals to meeting or conference attendees during a meeting, is allowable.

29. The *Environmental Certification* is a new form in the FY2011 application package and is a requirement of all HPF-funded grants. Please take a minute to read why NPS needs the information you will supply on this form.

30. The form THPOs must complete is on the left of the screen. The right-side page shows a sample of National Environmental Protection Act (NEPA) “categorical exclusions.” The list of exclusions can be found in Chapter 11 of the Historic Preservation Fund (HPF) Grants manual but is also included as a PDF on the webpage discussed earlier for easy reference.

NEPA Categorical exclusions are itemized types of work that do not require that an Environmental Assessment or Environmental Impact Statement be completed because these types of work do not have an adverse affect on the environment. All eligible THPO work should be listed as categorical exclusion, such as the one you see at the bottom of the slide,

THPOs must find the exclusions that cover all of the work included in their application workplan and reference the applicable exclusions on the form.

31. The Organizational Chart is another new requirement. Here we show a sample organizational chart. Note that it shows reporting relationships, names, and staff titles. NPS uses this chart to verify personnel and to identify which staff person to contact for various issues. Adding email addresses and phone numbers will help ensure that NPS is able to reach the correct people in your office should an issue arise that needs attention.

Many THPO offices are made up of one or two people. It still must be documented on the organizational chart.

32. These are the Direct Deposit and Financial Contact forms. They only need to be completed by new THPOs or by THPOs who have a change in banking or financial contact information. Instructions and a sample Direct Deposit form are included with the downloadable versions of these forms on the website, and must be followed exactly. **The NPS Accounting Office will not accept forms with mistakes or corrections; they will be rejected and returned.**

New accounts and changes to accounts can take up to 6 weeks to process so please plan accordingly. No payments can be made until the accounts are fully set-up.

We did not look at the SF424B, *Non-Construction Assurances* form, the SF424D, *Construction Assurances* form, or the DI-2010, *Certifications Regarding Debarment and Suspension* because these are forms that do not require anything more than to be read, signed, and dated. They contain standard Federal laws and requirements for all grant awards.

33. James Bird is the contact person for any questions you may have regarding preparation of the workplan that is submitted with the application materials just covered. Guidance for doing this can be found on the website.

We'll now begin reviewing the forms due as part of the annual report. James Bird reviews the *Annual Report* narrative and *Grant Product Summary* and should be contacted if you need assistance completing either. In this presentation, we'll focus on the the fiscal end of year reporting requirements.

34. An SF425, *Federal Financial Report*, and *Carryover Statement* (or Attachment Form) are the two fiscal forms that must be completed and submitted for your current year's grant (i.e. the grant moving into its second year) with the annual report package.

35. Here you see samples of a completed year-end SF425, *Federal Financial Report*, and a *Carryover Statement*. These two forms provide a snapshot of the THPOs grant commitments and expenditures as of the December 31 following the end of the first fiscal year of the grant (15 months from the start date). NPS uses it to determine if the THPO has met the 75% commitment requirement discussed toward the beginning of this presentation. Remember, only 25% of the total funds may be carried over into the second year of the grant period.

Let's look at the Carryover Statement on the right side of your screen. In the sample shown here, the grant amount awarded to the THPO would have been \$80,000. Of that, \$60,000 of the funds were expended and billed to NPS for various THPO expenses. \$0 were incurred but not yet billed to NPS, \$10,000 is in contracts or purchase orders for document scanning and GIS mapping services, as noted in the bottom section of the form. These three fields (boxes 1 + 2 + 3) must total at least 75% of your grant award. Additionally, all funds listed as committed in contracts or purchase orders must be listed and accounted for in the bottom section of the form. Box 4, shows that \$10,000 is still uncommitted and will be carried over into the next fiscal year. Box 4 may not be more than 25% of your total grant award.

The SF425 on the left side of your screen requests very similar, but not as detailed information; however, this is a form that all Federal grantees are required to complete. The numbers on the two forms must correspond.

36. The annual report should also contain the following fiscal documents to close out the older grant that has just expired. This includes the final payment request and final budget breakdown. If the THPO completes all work on, and expends all of the funds in, the older grant prior to submitting the annual report for the newer grant, it may submit these form then. However, they must be submitted no later than the January 31st following the end date of the grant.

Once a THPO has expended all of its funds, it may request a final payment for the remainder of funds in its account. The request must be in the form of a reimbursement. Final payments cannot be advances. It must also be accompanied by a final budget breakdown.

Just like the application budget, the final budget breakdown must be submitted on an SF424A, *Non-Construction Budget Form*, and an SF424C, *Construction Budget Form* (if applicable), that you can download from the website. NPS will compare the final budget to the budget approved in the grant application to determine if any major changes were made.

37. Requests for payment may be made at any point during the grant period and can be in the form of advances or reimbursements. This slide includes tips for avoiding some common errors made when completing reimbursement requests. Please note that NPS will place a hold on all payments to a THPO if it falls out of compliance with the terms of the grant agreement.

38. Advances are funds requested by THPOs to cover the cost of expenses that must be paid in the immediate future (within 30 days). It is important that you ask for exactly as much as is necessary.

Before any additional funds are released, you must show that the advanced funds have been 100% expended. This is done by completing and submitting an SF425, *Federal Financial Report*, within 30 days of receiving the advanced funds. If less the 100% of the funds are expended they must be returned to NPS which will cause long delays in getting additional funds.

To request an advance, THPOs may complete the simpler Section 12, "Alternate Computation for Advances," rather than completing Section 11.

39. Here you see a sample of an SF425, *Federal Financial Report*, showing that an advance of \$20,000 has been fully expended.

40. The preferred method, and more common method, of payment request, is the reimbursement. Let's review Section 11, *Computation of Amounts of Reimbursements Requested*.

Line A, Total Program Outlays to date, shows that the THPO has expended and/or obligated \$40,000 of its total grant award.

Line B, Cumulative Program Income, will be \$0 as THPOs do not earn any program income from their grant.

Line C, Net Program Outlays, is the amount in line A minus the amount in line B. This is \$40,000.

Line D, Estimated Net Cash Outlays for Advance Period should be \$0. As discussed before, you should use Section 12 to request advanced funds and you may not request an advance on the same form as your request a reimbursement.

Line E, Total, is the amount of line C plus line D, or \$40,000

Line F, Federal Share of Amount on line E, will always be the entire amount of line E. THPO Operations grants do not require that matching share, referred to as recipients share on this form, be provided as part of the total grant funds. Therefore all funds expended under this grant are Federal share.

Line G, Recipients Share, of Amount on Line E will always be \$0 for the same reason as just described.

Line H, Federal Payments Previously Requested, shows that the THPO has already requested and received a total of \$20,000 of their grant funds prior to making this request.

Line I, Federal Payments Now Requested, shows that the current reimbursement request is for \$20,000.

Please note, line H + plus line I should always total the amount in line A. In other words, previous payments plus current requests should be the same as total expenditures to date.

Advance and reimbursement requests must be submitted to NPS for approval prior to the THPO going into the Federal payment system and drawing the funds down into their bank account. The request may be faxed or emailed to the NPS. If the payment is approved, your financial contact will be cc'ed on an email stating that the payment request has been approved by NPS. At that point, the THPO's financial contact may go into the payment system and draw down the funds.

When submitting requests, be sure to include an email address of the THPO financial contact so that NPS can include them on the approval email.

41. As of November 22, 2010, Raynette Robinson, is the contact person at the SMARTLINK Federal payment system. You may contact her directly if you having trouble accessing your grant account as NPS does not have access to the grant payment accounts.

42. All grant work must be completed, and all grant related expenses incurred, by September 30th of the second fiscal year. This is the end date of the grant and it cannot be extended.

A final payment request and an acceptable final budget must be submitted by the following January 31st. This will close out the grant.

43. Please read through the audit requirement and note the contact information provided at the end. You may contact this person if you have questions regarding your audit requirements.

44. A new Federal-wide requirement has been issued by the Office of Management and Budget that affects all grants awarded after October 1, 2010. It is part of the Federal Funding and Accountability and Transparency Act (FFATA).

45. There are two parts to this requirement. The first part of the requirement is that all grantees be registered in the Central Contractor Registration system in order to receive government funds. Many

THPOs are probably already registered, but you must check with your finance department to ensure that this is done prior to applying for your FY2011 funding. The website for registering is shown on the slide.

Please note, you must go into the system at least once a year to renew your registration or you have to re-register.

The second part to this requirement is that grantees that award subawards or subgrants of \$25,000 or more, enter information about those awards into the FFATA Subaward Reporting System within 30 days of the awards. This does not include contracts for program work, only subawards or subgrants.

46. The NPS grant administrators work with hundred of grantees, many of whom have several active grants, so when calling or emailing with questions regarding your grant, please help us to identify who you are and about which grant your are calling by including the grant number, the contact's name and Tribe and an email address and/or phone number.

47. Not covered in script.